Alberta

News release

April 19, 2007

Budget 2007 addresses Alberta's price of prosperity

Budget highlights:

- *14th consecutive balanced budget; $2.2 billion estimated surplus*
- *$18.2 billion for infrastructure over three years, including $3 billion for health facilities and equipment and $1.3 billion for schools*
- *Phase-in of a new $1.4 billion Municipal Sustainability Initiative*
- *10 per cent operating spending increase to address growth pressures and improve services*
- *Nearly $200 million in annual income tax savings for Albertans and $22 million for businesses in 2007*
- *Increased tax credits for charitable donations and post-secondary students; higher tobacco taxes*
- *A new in-year surplus allocation policy*
- *Program spending reviews and tight in-year operating spending limits*

Edmonton... The Alberta government is aggressively addressing growth pressures with significant investments in infrastructure and key services. Details of Alberta's 14th consecutive balanced budget were unveiled April 19, with *Budget 2007: Managing Our Growth*.

"Given the province's fiscal and economic strengths, we have a unique opportunity to improve the quality of life of Albertans," said Premier Ed Stelmach. "There is a price attached to prosperity, and through *Budget 2007* we are taking the necessary steps to meet the priorities of Albertans during this period of phenomenal growth."

Budget 2007 will provide $33 billion for programs and capital grants in 2007-08 to meet the needs of an economy that grew by 6.9 per cent last year and a population that increased by 100,000 people.

"The government recognizes that we can't maintain the present pace of operating funding increases," said Dr. Lyle Oberg, Minister of Finance. "Funding for operating expenses and capital must be sustainable and fiscally responsible, if Alberta is to maintain its future prosperity."

Operating spending will increase 10 per cent overall, including increases for health care and advanced education. This will alleviate pressure on core service delivery and allow the Alberta government to move forward on important issues such as the environment, policing and children's services.

The three-year Capital Plan will provide $18.2 billion for municipal infrastructure, schools, roads, health facilities, post-secondary institutions, housing, water infrastructure, and a new two-year grant program to upgrade and construct community facilities.

Municipal support

As part of the government's priority to build a stronger Alberta, the Stelmach government is following through on a commitment to create a long-term funding arrangement with municipalities.

Funding for the first year of the Municipal Sustainability Initiative is $400 million, ramping up to $1.4 billion by 2010-11. Focusing primarily on core infrastructure, the funding agreement also includes support for water projects and $100 million for affordable housing.

Additional support for municipalities in 2007-08 includes $600 million for the Municipal Infrastructure Program and $900 million in other funding for public transit, policing, water-related projects, community services and other initiatives.

Fiscal management

Revenue is not expected to repeat the extraordinary performance of last year, declining to about $35 billion in 2007-08. This is attributed to an expected decrease in energy revenue and more moderate economic growth over the coming year.

A forecast budget surplus of $2.2 billion will be used primarily for inflation-proofing of the Heritage Savings Trust Fund, an allocation to the Medical Research Endowment and to meet capital cash requirements.

In 2007-08, the Alberta government is taking steps to strengthen its fiscal management practices.

The Treasury Board ministry will play a key role in ensuring there is a disciplined approach to spending and tight limits on in-year increases to operating expenses. The ministry will review government programs to identify efficiencies and look for ways to better co-ordinate capital and operating planning, as well as mitigate capital cost escalation and explore options toward achieving cost certainty in capital construction.

Budget 2007 will also introduce a new in-year surplus allocation policy. If the projected surplus is higher than the current estimate of $2.2 billion, the government plans to allocate one-third of the additional cash available to savings and investments, while the remaining two-thirds will be allocated to capital. At least 50 per cent of the capital allocation will be used to support ongoing maintenance and rehabilitation of existing capital assets, while the rest will be invested in new infrastructure projects to accommodate and support growth.

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Additional fiscal initiatives include the establishment of a Financial Investment and Planning Commission to examine the government's long-term investment and savings strategies as well as the creation of the Alberta Investment Management Corporation to increase the opportunities for greater investment returns for the Heritage Fund, public sector pensions, endowments and other funds.

An independent panel of experts is also reviewing the royalty regime to ensure Albertans are receiving their fair share from energy development through royalties, taxes and fees. The panel is expected to present its final report by August 31. The government's goal is to ensure the royalty framework strikes the right balance between providing Albertans with a fair return and maintaining an internationally competitive system that allows the Alberta economy to continue to prosper.

Taxes

Income tax changes outlined in *Budget 2007* will save Albertans nearly $200 million annually and save businesses about $22 million in 2007.

Alberta's tax credit for total annual charitable donations over $200 will be increased to 21 per cent from 12.75 per cent. When combined with the federal charitable donations credit, Albertans will receive a 50 cent tax credit for every dollar donated over the $200 threshold.

To assist post-secondary students and their parents with living costs, the Education Tax Credit will be enhanced by 26 per cent. The monthly credit for full-time students rises to $600 from $475, while the credit for part-time students increases to $180 from $143 per month.

Other tax initiatives include the annual indexing of personal income taxes for inflation, the paralleling of some changes to personal and corporate income taxes announced in the federal budget, and an increase in the small business income threshold.

Effective midnight April 19, tobacco taxes will rise by 16 per cent in an effort to reduce smoking and promote a healthier lifestyle. The tax on a carton of cigarettes goes up by $5 to $37.

Budget 2007 supports Premier Ed Stelmach's plan to manage growth pressures, as well as government's priorities of governing with integrity and transparency, improving Albertans' quality of life, building a stronger Alberta, and providing safe and secure communities.

In Billions	2006-07 (Forecast)	2007-08 (Estimate)	2008-09 (Target)	2009-10 (Target)
Total Revenue	$37.1	$35.3	$35.2	$34.7
Resource Revenue	$11.7	$10.3	$9.3	$7.8

Expense				
Operating Expense	$24.6	$27.0	$28.2	$29.3
Capital Grants	$3.5	$4.7	$4.4	$3.2
Other Expense*	$1.6	$1.4	$1.2	$1.2
Total Expense	$29.7	$33.1	$33.8	$33.8
Surplus	$7.4	$2.2	$1.4	$0.9

**Other expenses include emergencies, disasters, natural gas rebates, debt servicing costs, amortization and nominal sum disposals.*

	2006-07	**2007-08**	**2008-09**	**2009-10**
Oil (WTI US$/bbl)	$64.97	$58.00	$54.25	$52.50
Natural Gas (Cdn$/GJ)	$5.95	$6.75	$6.50	$6.25

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Attachments:

- Backgrounder - Budget summary by ministry
- News Release - Record $18.2 billion Capital Plan addresses Alberta's growing infrastructure needs
- News Release - $12 billion health budget addresses growth pressures, sustainability
- News Release - Government boosts support to communities to help address growth pressures
- News Release - Key investments in education, training and workforce development aim to address Alberta's labour force pressures

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Backgrounder

April 19, 2007

Budget summary by ministry

Advanced Education and Technology

Advanced Education and Technology 2007-08 program expense will be almost $3.1 billion, an increase of $562 million or 22.2 per cent, over the 2006-07 forecast.

Program expense in 2007-08 includes $2.3 billion in operating support, an increase of $214 million or 10.1 per cent from the 2006-07 forecast, and $743 million in capital grants to post-secondary institutions, an increase of $347 million or 88 per cent from forecast.

In 2007-08, support for adult learning, including operating grants to post-secondary institutions, is increasing by $117 million, or 6.9 per cent, to over $1.8 billion. By 2009-10, funding will have increased by
$377 million, or 22.3 per cent, to nearly $2.1 billion.

The government will invest $136 million over the next three years to support the new tuition policy that will limit annual tuition increases to Alberta's rate of inflation starting in fall 2007. This new policy is expected to save the average two-year diploma student $1,600 and the average four-year undergraduate student more than $3,800 over the period of their studies. Funding for heritage and achievement scholarships will total $57 million and help support 34,000 students in 2007-08. Alberta expects to disburse $116 million in student loans in 2007-08.

In 2007-08, funding for research, innovation and technology commercialization is increasing by $30 million, or 15.7 per cent, to $221 million. Over the next three years, a total of $559 million will be provided for initiatives, which will focus on areas of strategic importance for Alberta including energy, agriculture, forestry, life sciences, information and communications technology, and nanotechnology.

The 2007-10 Capital Plan provides almost $1.6 billion to support post-secondary capital projects, including $743 million budgeted in Advanced Education and Technology in 2007-08.

The 2007-10 Capital Plan provides an increase of $461 million, or 41.1 per cent, over the amount in the 2006-09 Capital Plan published in *Budget 2006*. The Capital Plan includes $300 million that has not yet been allocated to individual post-secondary facility projects.

For information, contact Marie Iwanow (780) 422-1562

Agriculture and Food

Agriculture and Food program expense will be $1 billion per year in each of the next three years.

In 2007-08, a framework will be developed and implemented to maintain Canada's status as a minimal risk country for beef production and promote Alberta's safe food practices. As well, the provincial and federal governments are providing $33 million over the next two years, in addition to $7 million spent in 2006-07, to assist industry adaptation to, and to reduce costs of, enhancements to the existing Canadian ruminant feed ban. The enhancements require elimination of specified risk material, or tissues that could contain BSE.

A new institute for Agriculture, Forestry and the Environment is being established to identify and facilitate the use of environmentally sound practices in the agriculture and forestry sectors. It will focus on development and commercialization of technologies and leading-edge practices.

For information, contact Donna Babchishin (780) 422-7683

Children's Services

Children's Services 2007-08 program expense will be $972 million, a $68 million or 7.5 per cent increase from the 2006-07 forecast. By 2009-10, total program expense will be $996 million, a $92 million or 10.2 per cent increase over three years.

Funding increases in 2007-08 include:

- Child Care - increases by $16 million, or 13.6 per cent, to $134 million to expand access to quality, affordable child care options. This increase is in addition to the 51 per cent increase provided in 2006-07.
- Child Intervention Services - increases by $21 million, or 6.3 per cent, to $357 million to ease the pressures of a growing population. A new service delivery model that builds on best practices already in place will be implemented. This will improve the way the ministry works with families by connecting them with community resources, focusing more on assessment, permanency for children, and greater involvement with First Nations and Métis communities.

- Family Support for Children with Disabilities - increases by $7 million, or 7.4 per cent, to $102 million to address increased demand and improve services in rural areas.
- Foster Care Support - increases by $7 million to enhance foster parent training and support, and increase the number of foster homes in the province.
- A 10-year cross-ministry plan is being implemented to reduce the incidence of fetal alcohol spectrum disorder, a leading cause of birth defects and lifelong disabilities. The strategy includes improved diagnosis and assessment capacity and better co-ordination of services. Funding will rise to $10 million in 2007-08, a 72 per cent increase from the 2006-07 forecast.

Children's Services is leading the work of several ministries to prevent family violence and bullying. Funding is increasing by nearly $5 million, or 11 per cent, across the partnering ministries, with joint spending planned to exceed $46 million in 2007-08.

For information, contact Jody Korchinski (780) 415-6451

Education

For the 2007-08 fiscal year, program spending on the kindergarten to Grade 12 education system, including grants for school capital projects, will reach $5.6 billion. This includes:

- $5.1 billion in operating support to school boards and other educational programs and services, and
- $508 million in capital grants for ongoing school construction projects.

All existing operational grants to school boards will increase by three per cent beginning in September 2007. School facilities operations and maintenance support will increase by $13 million, or 3.2 per cent, to $417 million in 2007-08.

The budget for the Small Class Size Initiative will increase by 21.7 per cent in 2007-08 to $194.5 million. This will ensure that students continue to benefit from small class sizes and maintain student access to the 2,500 new teachers hired across the province under this successful initiative.

The ministry will provide $508 million for school facilities infrastructure in 2007-08 and a total of nearly $1.3 billion over the next three years. This is an increase of $445 million, or 53 per cent, over the amount in the 2006-09 Capital Plan published in *Budget 2006*. The 2007-10 Capital Plan includes funding for 71 previously announced new or major modernization projects, including 12 schools to be opened in 2007-08. As well, the Capital Plan includes $300 million that has not yet been allocated to individual school projects. The government will examine alternative procurement methods to deliver school infrastructure.

For information, contact Kathy Telfer (780) 427-5423

Employment, Immigration and Industry

Employment, Immigration and Industry's 2007-08 program expense will be $853 million, a $28 million or 3.2 per cent reduction from the 2006-07 forecast, which included a $100 million payment to Rural Alberta's Development Fund. Setting aside the Fund payment, the ministry's 2007-08 expense is $72 million or 9.2 per cent higher than in 2006-07.

A made-in-Alberta immigration strategy is being developed. Funding for immigration will increase by $9 million, or 15.1 per cent, to $68 million in 2007-08. The strategy includes expanding the number of nominees under the Provincial Nominee Program to 2,500 in 2007-08 and to 8,000 in 2009-10, improving international marketing and credentials recognition, and adding 500 spaces to the English as an Additional Language and Bridging programs.

A Health Workforce Plan will be developed with $30 million allocated in each of the next three years for implementation of initiative training, attraction, retention and repatriation of health care professionals. Work is also continuing on strategies specific to Aboriginal labour force needs and industry sectors as part of *Building and Educating Tomorrow's Workforce,* Alberta's labour force strategy.

Funding for labour standards and workplace safety will be $37 million in 2007-08, up $7 million from 2006-07. Additional Occupational Health and Safety staff and employment standards officers will be hired to address the increase in compliance and enforcement workload associated with growth in the labour force.

A five per cent benefit increase will be provided to Income Support clients who are considered not able to work or who are temporarily unable to work, and to all learners.

Other budget increases include $7.5 million for a one-time grant to support development of a Centre for Aircraft Certification in Calgary.

For information, contact Lorelei Fiset-Cassidy (780) 427-5649

Energy

Energy's 2007-08 program expense will be $300 million, a $73 million or 32.2 per cent increase from the 2006-07 forecast. By 2009-10, total program expense will be $314 million, an $87 million or 38.3 per cent increase over three years.

Funding increases in 2007-08 include the following:

- Bio-fuel Initiatives - increases to $41 million in 2007-08, up from $5 million in the 2006-07 forecast. This funding will be invested in bio-energy development projects and initiatives, including bio-fuel commercialization and marketing, infrastructure development and producer credits.

- Energy Innovation Fund Initiatives - $18 million in new funding will be invested in research, advanced technology and other projects focused on energy supply and protection of the environment.
- Energy and Utilities Board - increases by $9.7 million, or 6.5 per cent, to $159 million in 2007-08, funded partially by a $5 million increase in the industry levy. This funding will be used to promote regulatory compliance and address pressures related to the development of new and unconventional energy resources, including the oil sands.

Alberta is developing a comprehensive energy strategy to guide the use and responsible development of renewable and non-renewable energy sources. This will include enhancing value-added opportunities, energy conservation and development of the oil sands.

For information, contact Jason Chance (780) 422-3667

Environment

Environment's 2007-08 program expense will be $164 million, a $9.8 million, or 6.3 per cent increase from the 2006-07 forecast. By 2009-10, total program expense will be $165 million, a $10.4 million or 6.7 per cent increase over three years.

The 2007-08 increase includes $6 million for oil sands innovation and policy initiatives, as announced in the Radke Report, *Investing in our Future: Responding to the Rapid Growth of Oil Sands Development*.

Environment's program spending in *Budget 2007* does not include any spending associated with the proposed new Climate Change Management and Emissions Fund as the *Climate Change and Emissions Management Amendment Act* has not yet been approved by the Legislature. Also, revenue and expense associated with the federal government's commitment to provide Alberta with $156 million over three years through the Canada Eco-Trust has not been included as sufficient details on the Trust were not available before *Budget 2007* was finalized.

For information, contact Kathryn Wiegers (780) 427-2848

Executive Council

Executive Council's budget for 2007-08 is $23.2 million, a $1.6 million or 7.2 per cent increase from the 2006-07 forecast. The increase includes $1 million to conduct a governance review that will provide recommendations on how the transparency, accountability and governance of provincial agencies, boards and commissions can be improved, and $500,000 to support policy development and decision-making processes across government.

For information, contact Tom Olsen (780) 427-2251

Finance

Finance's 2007-08 program expense will be $645 million, a $5 million or 0.8 per cent increase from the 2006-07 forecast. By 2009-10, total program expense will be $699 million, a $59 million or 9.2 per cent increase over three years.

The 2007-08 increase includes $2 million for an independent panel's review of the oil and gas royalty and tax systems.

For information, contact Jay O'Neill (780) 422-2126

Health and Wellness

The ministry's 2007-08 program expense budget will be over $12 billion, a $1.3 billion or 12.2 per cent increase from the 2006-07 forecast. By 2009-10, total program expense will be $12.9 billion, a $2.1 billion or 19.8 per cent increase over three years.

Operating grants to health authorities will increase by 9.5 per cent in 2007-08, to $6.6 billion, with all health authorities receiving a minimum increase of six per cent. The health authorities are facing increased pressures from population growth and aging, and drug, technology and labour costs. The Northern Lights Health Region is receiving additional funding for unique service pressures associated with this high-growth area.

In 2007-08, the budget for physician services will increase to $2.4 billion. This increase reflects the tentative two-year agreement between the government, the Alberta Medical Association and regional health authorities. Support is also increasing for innovative service-delivery initiatives such as alternative payment mechanisms, primary care and on-call programs.

In 2007-08, $1.1 billion is being provided for a variety of other health services ranging from public health laboratories, vaccination programs, and tissue and blood services to air and ground ambulance and allied health services.

In 2007-08, $732 million is being provided for non-group health benefits, an increase of 9.6 per cent, largely due to higher costs of drug benefits.

The budget for Employment, Immigration and Industry also includes $30 million for a Health Workforce Plan.

The 2007-10 Capital Plan provides more than $3 billion over the next three years for health facilities and equipment, information systems, and vaccines and pandemic-related supplies, including:

- $2.64 billion for new facilities and equipment, renovations and expansions of existing facilities, infrastructure maintenance and cost escalation on previously approved projects,

- $272 million for health information systems,
- $125 million for vaccines and pandemic-related supplies.

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Infrastructure and Transportation

Infrastructure and Transportation's 2007-08 program expense, excluding funding for natural gas rebates and debt servicing costs, will be over $2.6 billion, a $320 million or 13.8 per cent increase from the 2006-07 forecast.

This includes more than $368 million for highway rehabilitation and maintenance.

A key element of Infrastructure and Transportation's program expense is capital support to Municipal Infrastructure. More than $1.2 billion in grants will be provided to Alberta municipalities in 2007-08.

It also includes funding to implement the Alberta Traffic Safety Plan, one of Infrastructure and Transportation's three mandates.

The ministry's Capital Investment budget will be almost $1.7 billion in 2007-08, an increase of $590 million of 53.4 per cent over the forecast.

The additional Capital Investment will help fund several projects such as the Royal Alberta Museum's renovation and expansion, the first phase of the construction of Edmonton's new Remand Centre and the Brooks Crop Research Greenhouse.

This funding will also accelerate the construction of the Highway 4 bypass of Milk River, the interchange on the TransCanada Highway 1 and Highway 9 near Strathmore, and the new bridge on Highway 49 over the Smoky River west of High Prairie. The funding will also help build projects such as the Highway 2 North Innisfail interchange upgrade, the Highway 2 median widening from Crossfield to Acme Road Interchange and the twinning of Highway 779 in Stony Plain.

Funding for energy rebates in 2007-08 is budgeted at $477.3 million, a $114 million or 31.4 per cent increase from the 2006-07 forecast, reflecting the projected increase in natural gas prices.

For information, contact Jerry Bellikka (780) 415-1841

International, Intergovernmental and Aboriginal Relations

The ministry's 2007-08 budget will be $67.6 million, a $2.2 million or 3.1 per cent reduction from the 2006-07 forecast.

This reduction primarily reflects a $5 million reduction in support for the Métis Settlements governance as the province finalizes long-term governance and financial arrangements with the Métis Settlements during 2007-08.

Support for Aboriginal consultation is increasing by $2.7 million in 2007-08.

For information, contact Carol Chawrun (780) 422-2465

Justice

Justice's 2007-08 program expense will be $382 million, a $29.8 million or 8.5 per cent increase from the 2006-07 forecast. By 2009-10, total program expense will be $420.8 million, a $68.6 million or 19.5 per cent increase over three years.

Funding for Court Services will increase by $12 million or 8.2 per cent in 2007-08. This increase will provide more resources to address higher workloads in the court system and areas such as traffic ticket processing.

Funding for Legal Services will increase by $8.8 million or 9.4 per cent in 2007-08. This increase will provide for the hiring of additional Crown prosecutors, civil lawyers and support staff. As well, this increase provides funding for Maintenance Enforcement to hire additional collection officers to benefit Alberta families.

In 2007-08, $1.5 million has been budgeted for the new Crime Reduction and Safe Communities Task Force. The Task Force was established to recommend ways to reduce crime, enhance community safety and improve confidence in the criminal justice system.

For information, contact Mark Cooper (780) 427-8530

Municipal Affairs and Housing

The ministry's 2007-08 program expense will be almost $836 million, more than doubling from the $416 million included in the 2006-07 forecast. This increase includes $400 million for the new Municipal Sustainability Initiative, details of which are provided in a separate backgrounder.

With the budget for the new Municipal Sustainability Initiative increasing to $600 million in 2009-10, total program expense for the ministry will be $952 million, a $536 million or 128.9 per cent increase over three years.

For information, contact Tracy Balash (780) 415-4758

Seniors and Community Supports

Seniors and Community Supports' 2007-08 program expense will be almost $1.8 billion, a $157.5 million or 9.8 per cent increase from the 2006-07 forecast. By 2009-10, total program expense will be just over $1.8 billion, a $216 million or 13.4 per cent increase over three years.

Funding for the Assured Income for the Severely Handicapped (AISH) program is increasing by $99 million, or 18.2 per cent, to $644 million in 2007-08. This additional funding will provide for a $50 increase in the monthly living allowance to $1,050 effective April 1, 2007; for anticipated increases in the total number of clients and the cost per case including health and supplementary benefits; and for initiatives aimed at expanding employment opportunities to enhance client independence.

Funding to the Persons with Developmental Disabilities program is $526 million in 2007-08, an increase of $18 million, or 3.5 per cent. This will accommodate caseload growth and agency staff retention pressures.

Funding for seniors financial assistance programs will total almost $390 million in 2007-08, an increase of almost $30 million or 8.1 per cent. This includes funding to address caseload and cost increases in the Alberta Seniors Benefit, Seniors Dental and Optical Assistance, Special Needs Assistance for Seniors, and the School Property Tax Assistance program.

The Alberta Aids to Daily Living program budget is $92 million in 2007-08, an increase of $2.7 million or 3.1 per cent.

Seniors Lodge Assistance will total $35 million in 2007-08, an increase of $4.5 million or 14.7 per cent. Funds will be used to accommodate more units and to assist lodge operators in supporting clients with higher needs.

For information, contact Janice Schroeder (780) 644-5509

Service Alberta

Service Alberta's 2007-08 program expense will be $279.4 million, a $12.2 million or 4.6 per cent increase from the 2006-07 forecast. By 2009-10, total program expense will be $287.7 million, a $20.5 million or 7.7 per cent increase over three years.

The increase will be used to further improve Land Titles services, implement a government-wide approach to information management and information technology, address inflationary costs, and enhance the way services are delivered to government employees under the Employee Assistance Program.

For information, contact Cam Traynor (780) 422-8049

Solicitor General and Public Security

The ministry's 2007-08 program expense will be $507 million, a $49 million or 10.7 per cent increase from the 2006-07 forecast. By 2009-10,

total program expense will be almost $534 million, a $77 million or 16.8 per cent increase over three years.

Funding for provincial policing will increase by $11.5 million, or 7.6 per cent, to $162.5 million in 2007-08. This will provide for the full-year costs of the 80 RCMP officers that were added in 2006-07, and address other inflationary cost increases.

An additional $1.6 million is being provided in 2007-08 for the province's contribution to the costs of First Nations policing. This includes the costs of 14 additional RCMP officers who will be dedicated to six First Nations communities, and other inflationary pressures.

Funding for Correctional Services is increasing by $14.3 million, or 8.8 per cent, to $176.4 million in 2007-08. This increase is to provide for the costs of an additional 56 Corrections Officers being added as part of the interim solution to address overcrowding at the Edmonton Remand Centre.

Funding budgeted in Solicitor General and Public Security for its share of the Traffic Safety Plan is increasing by $7.5 million to $10.7 million in 2007-08. This will provide for the costs of adding more traffic enforcement resources to patrol provincial highways.

An additional $6.4 million will be provided for Security Operations in 2007-08, bringing the total budget to $27.5 million this year, an increase of 30 per cent. This increase will allow the court security initiative to be fully implemented, and will provide funding for the increase in inmate transportation costs relating to overcrowding at the Edmonton Remand Centre.

For information, contact Andy Weiler (780) 427-6153

Sustainable Resource Development

Sustainable Resource Development's 2007-08 program expense will be $353 million, with $55 million (including $50 million in emergency funding) to continue Alberta's action against the mountain pine beetle and work toward the re-establishment of healthy forests.

The $353 million budget reflects a $133 million or 27.4 per cent reduction from the 2006-07 forecast. The ministry's 2006-07 forecast of $486 million included $248 million in disaster-related funding for fighting wildfires and mountain pine beetles.

Development of the Land-Use Framework continues, with $6 million allocated in 2007-08. The framework will address conflicts over competing land uses and provide a vision for an integrated sustainable land-use approach that balances economic, environmental and social concerns.

A total of $4 million in funding for an Alberta Biodiversity Monitoring Program will support sound decision-making and management of natural resources on a sustainable basis.

For information, contact Joan McCracken (780) 427-5536

Tourism, Parks, Recreation and Culture

The ministry's 2007-08 program expense is $756 million, a $300 million or 66 per cent increase from the 2006-07 forecast. This increase includes $140 million for the new Major Community Facilities Program as part of a two-year $280 million commitment to help construct and upgrade community facilities across Alberta.

The 2007-08 program expense increase also includes $80 million to support major athletic facilities, fairs and exhibitions in Calgary and Edmonton, and $69 million over three years to assist the Calgary Olympic Development Association's capital renewal project.

Additional funding has also been provided for tourism marketing and development, the Alberta Foundation for the Arts, Alberta Sport, Recreation, Parks and Wildlife Foundation, Alberta Historical Resources Foundation, the Wild Rose Foundation and the Human Rights, Citizenship and Multiculturalism Education Fund.

Increased funding is also being allocated to address service and maintenance in Alberta's network of 500 parks and protected areas, and to support Alberta's museums and heritage programs.

For information, contact Anne Douglas (780) 427-2395

Treasury Board

The 2007-08 budget for the new Ministry of Treasury Board is $19.1 million. The budget includes funding to establish the ministry, including $3.3 million for the new Strategic Capital Planning Division that will lead the government's capital planning process. As well, $1.1 million is budgeted to establish the Oil Sands Sustainable Development Secretariat which will support implementation of the Radke Report, *Investing in our Future: Responding to the Rapid Growth of Oil Sands Development.*

For information, contact Bart Johnson (780) 427-6699

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